

(c) *Grant award.* Following receipt of the additional information in acceptable form (and, where applicable, provided that the environmental review described in § 17.714 of this part indicates that the proposed project is environmentally acceptable to VA), to the extent funds are available VA will approve the application and send a grant agreement for execution to the applicant.

(Paperwork requirements were approved by the Office of Management and Budget under control number 2900-0554.)

(Authority: 38 U.S.C. 501, 7721, note)

[62 FR 6123, Feb. 11, 1997]

**§ 17.714 Environmental review requirements.**

(a) *General.* Project selection is subject to completion of an environmental review of the proposed site, and the project may be modified or the site rejected as a result of that review. The environmental effects must be assessed in accordance with the requirements of the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321, *et seq.*) as implemented pursuant to the Council on Environmental Quality's applicable regulations (40 CFR parts 1500-1508) and VA's applicable implementing regulations (38 CFR part 26).

(b) *Responsibility for review.* (1) VA will perform the environmental review, in accordance with part 26 of this title, for conditionally selected applications received directly from private non-profit organizations and governmental entities with special or limited purpose powers. VA is not permitted to approve such applications prior to its completion of this review. Because of time constraints, any applications subject to environmental review by VA that requires an Environmental Impact Statement (EIS) (generally, an application that VA determines would result in a major Federal action significantly affecting the quality of the human environment in accordance with the environmental assessment procedures at 38 CFR part 26) will not be eligible for assistance under this part.

(2) Applicants that are States, metropolitan cities, urban counties, Indian tribes, or other governmental entities with general purpose powers shall in-

clude environmental documentation for the project submitting information establishing a Categorical Exclusion (CE), a proposed Environmental Assessment (EA), or a proposed Environmental Impact Statement (EIS). The environmental documentation will require approval by VA before final award of a construction or acquisition grant under this part. (See 38 CFR 26.6 for compliance requirements.) If the proposed actions involving construction or acquisition do not individually or cumulatively have a significant effect on the human environment, the applicant shall submit a letter noting a CE. If construction outside the walls of an existing structure will involve more than 75,000 gross square feet (GSF), the application shall include an EA to determine if an EIS is necessary for compliance with section 102(2)(c) of the National Environmental Policy Act 1969. When the application submission requires an EA, the State shall briefly describe the possible beneficial and/or harmful effect which the project may have on the following impact categories:

- (i) Transportation;
- (ii) Air quality;
- (iii) Noise;
- (iv) Solid waste;
- (v) Utilities;
- (vi) Geology (soils/hydrology/flood plains);
- (vii) Water quality;
- (viii) Land use;
- (ix) Vegetation, wildlife, aquatic, and ecology/wetlands;
- (x) Economic activities;
- (xi) Cultural resources;
- (xii) Aesthetics;
- (xiii) Residential population;
- (xiv) Community services and facilities;
- (xv) Community plans and projects; and
- (xvi) Other.

(3) If an adverse environmental impact is anticipated, the action to be taken to minimize the impact should be explained in the EA. An entity covered by this section that believes that it does not have the legal capacity to carry out the responsibilities required by 38 CFR part 26 should contact the VA Homeless Providers Grant and Per

Diem Program, Mental Health and Behavioral Sciences Service (111C), U.S. Department of Veterans Affairs, 810 Vermont Avenue NW., Washington, DC 20420, for further instructions. Determinations of legal capacity will be made on a case-by-case basis.

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(Authority: 38 U.S.C. 501, 7721, note)

[62 FR 6124, Feb. 11, 1997]

**§ 17.715 Aid for supportive services and supportive housing.**

(a) *Per diem payments.* Aid in the form of per diem payments may be paid to an entity meeting the requirements of the regulations of this part under the heading “VA Homeless Providers Grant and Per Diem Program,” including the specific criteria of § 17.716 of this part, if:

(1) VA referred the homeless veteran to a recipient of a grant under this part (or entity eligible for such a grant as described in § 17.716 of this part); or

(2) VA authorized the provision of supportive services or supportive housing for the homeless veteran.

(b) *In-kind assistance.* In lieu of per diem payments under this section, VA may, with approval of the grant recipient (or entity eligible for such a grant as described in § 17.716 of this part), provide in-kind assistance through the services of VA employees and the use of other VA resources, to a grant recipient (or entity eligible for such a grant as described in § 17.716 of this part).

(c) *Selection of per diem applicants.* In awarding per diem assistance, applications from grant recipients and nongrant recipients will be reviewed and ranked separately. Funds will first be awarded to grant recipients who request such assistance. If funds are still available for nongrant recipients, VA will announce funding through a Notice of Funding Availability (NOFA) process as described in § 17.708 of this part. VA will not award per diem payments when doing so would decrease funding to those entities already receiving such payments. For both grant recipients and non-grant recipients, eligibility will be determined by the criteria described in § 17.716 of this

part, and applications will be ranked according to scores achieved on the portions of the application described in § 17.716(b)(4) of this part. Applicants must score a minimum of 500 points on these portions to be eligible for per diem. Those applications that meet the eligibility criteria will be conditionally selected for per diem assistance. Funds will be allocated to the highest-ranked, conditionally selected applicants in descending order until funds are expended. Payments will be contingent upon meeting the requirements of a site inspection conducted by VA pursuant to § 17.721 of this part.

(d) *Continued receipt of per diem assistance.* (1) Continued receipt of per diem assistance for both grant recipients and nongrant recipients will be contingent upon maintaining the program for which per diem is provided so that it would score at least the required minimum 500 points as described in § 17.716(b)(4) of this part on the application. VA will ensure compliance by conducting inspections as described in § 17.721 of this part.

(2) Where the recipient fails to comply with paragraph (d)(1) of this section, VA will issue a notice of the Department's intent to discontinue per diem payments. The recipient will then have 30 days to submit documentation demonstrating why payments should not be terminated. After review of any such documentation, VA will issue a final decision on termination of per diem payment.

(3) Continued payment is subject to availability of funds. When necessary due to funding limitations, VA will, in proportion to the decrease in funding available, decrease the per diem payment for each authorized veteran.

(Authority: 38 U.S.C. 501, 7721, note)

[62 FR 6125, Feb. 11, 1997]

**§ 17.716 Eligibility to receive per diem payments.**

An entity must be formally recognized by VA as eligible to receive per diem payments under this section before per diem payments can be made for the care of homeless veterans, except that per diem payments may be made on behalf of a veteran up to three days prior to this recognition.